



BLACK PEPPER

- Kochi Black Pepper physical market remained higher this fortnight on rebounding spot demand.
- Cumulative arrivals for this fortnight were 214 Tonnes. Cumulative offtake for this fortnight were 302 Tonnes.
- Markets moved higher after arrivals remained lower this fortnight and may support the uptrend.
- However due to untimely rain we saw a delay in harvest so we could see some delay in arrivals as well which may move the markets up.
- Black pepper sentiments remain bullish supported by buying interest from exporters and interstate dealers.
- Black pepper market sentiments remain bullish supported by tight stocks following poor supplies.
- Markets also moved higher supported by reports of delay in arrivals in Vietnam due to untimely weather due to the harvest.
- Sources added that all market participants are waiting for the Vietnam crop which may start in late February.
- Planters also waiting for higher prices to bring in their stocks.
- IPC says that India may produce 48,000 tonnes lower by 2,000 tonnes compared to last year at 50,000.
- IPC also added that global production is expected to be lower at 309,952 tonnes lower by 6,428 tonnes compared to last year at 316,380 tonnes.
- Vietnam is expected to produce 100,000 tonnes higher by 5,000 tonnes compared to last year at 95,000 tonnes.
- However Vietnam re-opened on the lower side as sources say that this may be a move by market participants to clean up space for the new crop arrivals.

Pepper prices may trade steady to firm in the short term on buying support at lower level. In the medium and long term price trend will depend on the availability of stocks and global production estimates.

Rs/Qtl	February 05 th 2011	February 19 th 2011	Change
Ungarbled	21700	22400	+700
Garbled	22500	23300	+700

Technical Analysis - NCDEX – March Futures



- Prices have closed below 9 and 18-day EMAs thus supporting the bearish momentum in short term.
- MACD is moving down supports bearish market.
- RSI is moving up in the neutral region and is supporting bearish sentiments.
- Key support levels are at Rs 21651/qtl and then Rs 22593/qtl.
- Key resistance levels are at Rs 24983/qtl and then Rs 26431/qtl.



CARDAMOM

- Cardamom market fell this fortnight due to weak domestic and export demand.
- Export demand continues to be weak and continue to add bearish sentiments in the markets.
- Cardamom cash markets were influenced by weak futures counter throughout the fortnight.
- Cumulative arrivals for this fortnight were higher at 260,876 kgs. Cumulative offtake for this fortnight were 256,074 kgs.
- Spices Board said that Cardamom Small exports were down by 41% at 700 tonnes compared 1,190 tonnes during the period of April-December 2009.
- Spices Board also added Cardamom Large exports were down by 40% at 400 tonnes compared 670 tonnes during the period of April-December 2009.
- Spices Board added that the target for 2010-11 for Cardamom (Small and Large) is 1,000 tonnes.
- On the other hand, weak production in India and Guatemala is however likely to support any uptrend in the market.
- India is expected to produce 10,000 tonnes compared to 13,000 tonnes.
- Guatemala is expected to produce 20,000 tonnes compared to 23,000 tonnes.
- Sources added that the 4th harvest is going on however arrivals could slow down due to low production estimates.
- Sources however added that markets may see some firmness as weather has become bad again and arrivals could decline.

We believe that cash markets may move higher following lower production estimates. In the longer run markets could remain firm on lower output from Guatemala and India.

Rs/Kg	February 04 th 2011	February 19 th 2011	Change
Max Auction Price	1349	1244.5	-104.5
Average Auction Price	1168.24	1050	-118.24

Technical Analysis - MCX – March Futures



- Prices have closed below 9 and 18-day EMAs thus supporting the bearish momentum in the short term.
- MACD is moving down in the negative zone reveals increase in bearish momentum.
- RSI is moving up in the overbought zone and is warranting caution to the bears.
- Key supports appear to be at Rs 1086/Kg and then Rs 1151/Kg.
- Key resistances appear to be at Rs 1342/Kg and then Rs 1468/Kg.



TURMERIC

- Turmeric physical market in Erode and Nizam fell heavily this fortnight on fresh crop arrivals in the markets.
- However market activity remained low as upcountry demand remained weak due to cold weather.
- Sources added that that spot demand is expected to be weak and may pull the markets further down.
- Buyers remained inactive in the market and this may continue to pull markets lower.
- Cumulative arrivals at Erode for this fortnight were higher at 55,500 quintals. Cumulative offtake for this fortnight were at 44,000 quintals.
- Cumulative arrivals at Nizam for this fortnight were also higher 94,000 quintals and were completely sold.
- Farmers seeing that markets have declined a lot they are hesitating to bring in stocks in Erode and Nizam.
- Production estimates for this year ranges from 50-60 lakh bags all over India compared to 40-45 lakh bags during the previous year.
- This according to market players could pull the markets lower in the longer run.
- On the other hand this year about 5-10% losses could be seen due to bad weather conditions in the initial sowing period.
- The stocks which are coming are wet and traders are not interested in buying the wet stock.
- So this may slow down arrivals and start to take the markets up.

In the short-term turmeric prices may trade range bound to weak on lower demand and fresh arrivals in the markets. In the medium to long-term the price trend may depend on this year's output estimates and demand.

Rs/Qtl	February 04 th 2011	February 18 th 2011	Change
Finger – Erode-New	11700-12700	12200-13200	-500
Gattah – Erode-New	11200-12200	11700-12700	-500
Nizam Quality-New	11200	14200	-3000

Technical Analysis - NCDEX – April Futures



- Price has closed below 9 and 18-day EMAs supporting the bearish momentum in short term.
- MACD is moving up supporting the bullish market.
- RSI is moving down in the neutral region and is supporting the bearish momentum.
- Key supports are visible at Rs 8671/ql and then at Rs 9201/ql.
- Key resistance are visible at Rs 10291/ql and then at Rs 10850/ql.



CUMIN SEED

- Unjha Cumin Seed physical market surged higher this fortnight as fresh arrivals in the markets brought the markets lower.
- Cumulative arrivals at Unjha for this fortnight were at 33,450 quintals. Cumulative offtake for this fortnight were at 73,000 quintals.
- Markets were firm after reports of lower production this year. India's production this year could be lower compared to last year due to untimely rainfall in Gujarat and Rajasthan.
- Sources added that adverse weather condition during the sowing period had considerably reduced the acreage under cultivation.
- Gujarat is expected to produce 30% less compared to last year. Traders say that Gujarat may produce 21-22 lakh bags this year. Initially, the figure was between 25-26 lakh bags.
- Rajasthan is expected to produce 3-4 lakh bags this year; the figure was between 7-8 lakh bags.
- Markets sentiments remained firm as the hedgers were buying in the cash markets.

We expect Cumin seed prices to trade range bound to firm on weak production estimates. Price trend in the medium to long term may depend on production estimates and export demand.

Rs/Qtl- Unjha	February 05 th 2011	February 19 th 2011	Change
Loose	12125	13075	+950
NCDEX	13075-13100	14025-14050	+950
Poojari	13600	14550	+950

Technical Analysis - NCDEX – March Futures



- Prices have closed above 9 and 18-day EMAs thus supporting the bullish momentum in the short term.
- MACD is moving up supporting the bullish momentum.
- RSI is moving down supporting the bearish momentum.
- Key support levels are at Rs 14416/qtl and then Rs 15248/qtl.
- Key resistance levels are at Rs 16806/qtl and then Rs 17532/qtl.



Red Chilli

- Red Chillies physical market remains mixed in Guntur this fortnight amid reports of traders of crop losses in A.P due to untimely rain.
- Markets also moved higher as stockists demand improved in Guntur.
- Spot demand also remained firm as traders will continue to buy due to lower production estimates.
- Markets also moved higher partially influenced by firm futures counter this fortnight.
- Sources added that markets remained higher as participants this year are expecting a shortage of stocks due to lower production estimates
- Last year production was 1.5 crore bags and this year production could decline to lower than 1 crore bags.
- Sources say that production could be lower by 50% due to untimely rain in A.P.
- Cumulative arrivals at Guntur for this fortnight were at 385,000 quintals, out of which 250,000 quintals are new crop arrivals and 125,000 quintals are new crop arrivals.
- Cumulative offtake for this fortnight were at 450,000 quintals.

In the short term red chilli prices may move lower supported by higher fresh crop arrivals in the markets and weak spot demand. In the long term market trend may depend on weather conditions, export demand and production of the crop.

Rs/Qtl - Guntur	February 05 th 2011	February 18 th 2011	Change
Cold storage	7450-8250	-	-
LCA 334-New	7700-8200	6500-8000	+300
Teja	8550-8850	-	-
Bedki	8950-9950	8500-9000	-950

Technical Analysis - NCDEX – April Futures



- Prices have closed below 9 and 18-day EMA thus supporting the bearish momentum in the short term.
- MACD and RSI are moving down supporting bearish sentiments.
- Key support levels are at Rs 9358/qtl and then Rs 9904/qtl.
- Key resistance levels are at Rs 11420/qtl and then Rs 12390/qtl.



Coriander Seed

- Coriander seed physical market surged higher in Ramganj this fortnight influenced partially by firm futures counter.
- Cumulative arrivals at Ramganj for this fortnight were at 32,000 quintals, out of which new arrival crop were at 11,500 quintals and were completely sold.
- Markets moved lower as sources said that the cash markets were influenced by the futures counter which remained weak.
- Markets sentiments remained weak as production estimates remained higher.
- Sources say that market participants are in a waiting and watch policy mode are waiting for fresh stocks which are expected to be come by late February.
- Sources however reported of crops losses expected in Rajasthan, M.P and A.P. M.P is expected to lose about 25% of the crop and Rajasthan about 5-10% in M.P and A.P about 5-10% due to untimely rains.

We expect coriander prices to remain range bound to weak on weak demand and fresh crop arrivals. In the medium to long term price trend may depend on production estimates and demand in the market.

Rs/Qtl - Ramganj	February 05 th 2011	February 19 th 2011	Change
Badami-Old	3400-3500	3550-3750	+250
Eagle-Old	3500-3600	3750-4000	+400
Badami-New	-	2900-3400	-
Eagle-New	-	3400-4900	-

Technical Analysis - NCDEX – March Futures



- Prices have closed above 9 and 18-day EMA thus supporting the bullish momentum in the short term.
- MACD and RSI are moving down supporting bearish sentiments.
- Key support levels are at Rs 4584/ql and then Rs 4794/ql.
- Key resistance levels are at Rs 5391/ql and then Rs 5778/ql.

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